

Draft Meeting Notes
LCR MSCP Steering Committee Meeting
Oct 26, 2022

Attending Via Microsoft Teams

Greg Adams – Central Arizona Water Conservation District
Dave Alba – Los Angeles Department of Water and Power
Burt Bell – Palo Verde Irrigation District
Dee Bradshaw – The Metropolitan District of Southern California
Scott Bryan – Central Arizona Project
Julie Carter – Arizona Game and Fish Department
Dennis Davis – San Diego County Water Authority
Laura Dye – Colorado River Commission
Justine East – AEPCO
JR Echard – Palo Verde Irrigation District
Steven Escobar – Chemehuevi Indian Tribe
Charles Guss – Southern California Public Power Authority
Emily Higuera – Arizona Department of Water Resources
Michael Hulin – NV Energy
Jessica Humes – Imperial Irrigation District
Vineetha Kartha – Central Arizona Project
Jimmy Knowles – Bureau of Reclamation
Kit Lai – The Metropolitan District of Southern California
Bill Lamb – QuadState Local Governments Authority
Mark Lamb – U.S. Fish and Wildlife Service
Daniel Leavitt – U.S. Fish and Wildlife Service
Kahli Mlekush -NV Energy
Terry Murphy – Bureau of Reclamation
Jess Newton – U.S. Fish and Wildlife Service
Wade Noble – Yuma Area Irrigation Districts
William Patterson – Coachella Valley Water District
Bill Plummer – City of Somerton
Shana Rapoport – Colorado River Board of California
Carrie Ronning – Bureau of Reclamation
Mark Sappington – National Park Service
Alexi Schnell – San Diego County Water Authority
Brandon Senger – Nevada Department of Wildlife
Seth Shanahan – Southern Nevada Water Authority
Patrick Sigil – Salt River Project
Catherine Stites – The Metropolitan Water District of Southern California
Jim Stolberg – Bureau of Reclamation
Dave Vigil – California Department of Fish and Wildlife
Kyle Watkins – DOI – Office of the Solicitor
Tyler Williford – Arizona Game and Fish Department

ADMINISTRATIVE MATTERS

Introductions

The virtual meeting was convened on Teams at 9:35 a.m. by Chair Seth Shanahan. The list of those attending virtually and via conference call was reviewed by Carrie Ronning. Seth Shanahan chaired the meeting.

Review of Agenda

The agenda was reviewed and there were no changes. (Moved by Wade Noble, seconded by Vineetha Kartha, and adopted by consensus)

Public Comments

No public comments were offered.

Approve June 22, 2022 Meeting Notes

The June 22, 2022 meeting notes were approved with no changes (Moved by Dee Bradshaw, seconded by Vineetha Kartha, and adopted by consensus).

WORK PLAN AND BUDGET

FWS Concurrence Letter on FY2023 Work Plan

Terry Murphy, Acting MSCP Program Manager, reported that the US Fish and Wildlife Service accepted the *Final Implementation Report, Fiscal Year 2023 Work Plan and Budget, Fiscal Year 2021 Accomplishment Report*. He summarized the process involved in getting the approval and shared a copy of the acceptance memorandum received as part of the Steering Committee meeting packet.

FY2023 Funding Schedule

Terry Murphy reviewed the FY2023 cost share amounts. The total required funding will be \$34,828,626. The non-federal share of the costs will be \$17,414,313, with adjusted amounts for California \$7,554,617.36, Arizona \$4,924,371.53, and Nevada \$3,547,896.11. The Federal cost share will be \$17,414,313. Terry expects the Bureau of Reclamation to receive the full amount of the Federal cost share. The Federal budget was not approved prior to the new fiscal year (FY) on October 1, 2022 and the Federal government is operating under a Continuing Resolution until December 16, 2022. This keeps the budget constant to what was appropriated in fiscal year 2022.

The LCR MSCP continues to be conservative in spending to save funding to complete habitat creation. There will be budget reductions in FY2026, but habitat creation will not be complete until FY2035.

The FY2023 budget approved by the Steering Committee is \$25,339,230. The proposed work planned in FY2023 is \$23,951,802. The Remedial Measures Fund contribution for FY2023 is \$1,387,428.

Anticipated Preliminary FY2024 Inflation Rate

Terry Murphy gave an update on the projected increase in the inflation index for FY2024. Based on currently available information, the preliminary inflation index is projected to be 1.747. Last year it was 1.743. Terry noted that the inflation index will probably change but wanted to provide an early estimate as the increase will likely have an impact on proposed funding for FY2024.

PROCESS/PROGRAM UPDATES

Status of the 2022 Section 7 Consultation

Jimmy Knowles provided a brief update on Reclamation's Section 7 consultation. This consultation would cover the additional reductions in flow in Reaches 2 and 3 projected to occur from conserving water in Lake Mead in accordance with the 500+ Plan. Coverage would be amended to match the existing coverage in Reaches 4 and 5 for change in point of diversion of 1.574 million acre-feet. Formal consultation was initiated on April 5, 2022. The draft Biological Opinion was received from the Service on August 16, 2022. Between August 16th and now, Reclamation and state representatives reviewed it. We anticipated that it was going to be a pretty quick turnaround when the draft was received in August, but it's taking longer than expected as some key personnel were out on extended sick leave. Seth Shanahan asked if more specifics could be shared about the timeline to get it finalized. Jimmy Knowles responded that Reclamation will brief regional leadership next week and then will go back to the Service and discuss our comments. The biological opinion will be finalized soon after.

Lake Mead Fish Hatchery update

Jim Stolberg provided an update on the Lake Mead Fish Hatchery water pipeline project. Over the last year the Nevada Department of Wildlife and Reclamation have secured non-MSCP funding that will be used to replace the pipeline that delivers water to the hatchery. This will allow the hatchery to continue to raise fish for the augmentation component of the program. Nevada Department of Wildlife secured a little over \$3,000,000 through the Governor's office and Reclamation secured over \$8,500,000 through the Bipartisan Infrastructure Law. Reclamation entered into a grant agreement with Southern Nevada Water Authority on August 31 to provide Reclamation's funding to complete the design and construction of the new pipeline. The timeline is aggressive with water service potentially returning to the hatchery in December 2024. This timeline would be beneficial to not get too far behind on augmentation numbers in the coming years.

Seth Shanahan asked if the design has changed from what it was like previously. Jim Stolberg shared that there are two possible alignments for the pipeline. It could be up to 9,500 linear feet of pipe to deliver water to the hatchery. The biggest change is that water will be coming from different intakes in Lake Mead. Both the low-level intake and the second intake will be able to provide water. This was something that had been discussed for a number of years, but the current conditions required finding a solution now. This solution should secure water delivery to the hatchery for the life of the program.

Vineetha Kartha asked what elevation the water would come from. Jim Stolberg and Seth Shanahan clarified that the low-level intake is at elevation 875 feet and is the same one that provides water to the Las Vegas Valley.

Vineetha Kartha asked if the new pipeline will have larger valves because of the pressure difference. Jim Stolberg said he would have to check with the designers, but there will be a new design. He added that they expect the incoming water to have a different temperature than it has been in the last few years. Temperature is important when rearing native fishes. The fish grow better at warmer temperatures, but you don't want it too warm. The engineers are pretty confident that they can provide the temperature needed.

Vineetha asked if it might involve warming the water or a blending of water. Jim Stolberg answered that blending water from different intakes and insulation of the pipe are two methods. He added that Nevada Department of Wildlife has been a great partner and have done a great job rearing both bonytails and razorbacks. Augmentation was really taking off at the hatchery when the water supply issues occurred. LCR MSCP is looking forward to getting fish back in the hatchery and continuing the success that we've had.

Seth Shanahan reminded the Steering Committee that all fish were moved out of the Lake Mead Fish Hatchery in anticipation of the lowering lake levels and that the committee was briefed that there might be less production over this interim period and that the augmentation numbers would be made up later. Jim concurred and added that the LCR MSCP has worked with the other hatchery partners to increase production at their facilities. It is expected that 20,000 native fish will be stocked and there will be a similar number next year. Rearing at Achii Hanyo has transitioned this year from raising mostly bonytail to mostly razorback. As many as 8,000 razorbacks may come from that facility this year. Willow Beach National Fish Hatchery is transitioning to rearing bonytail on station in the circular raceways. Through the partnership at Lake Mead Fish Hatchery, biologists found that bonytail respond well to being reared in fiberglass raceways. They don't do as well in ponds, as they have a tendency to spawn which affects pond densities and getting fish to the target size as they don't grow as quickly. The partner hatcheries are going to keep the program on track until Lake Mead Fish Hatchery comes back online.

Upcoming review of draft Five-Year Monitoring and Research Priorities Report for 2023–2027
 Jimmy Knowles provided an update on the *Five-Year Monitoring and Research Priorities Report for 2023–2027*. He explained that the program has a number of cyclical planning and reporting efforts. One is the annual work plan, which reports on last year's accomplishment, what is planned for the current year, and what will be done the next year. Another effort is the cyclical planning outlined in the LCR MSCP Science Strategy (approved by the Steering Committee in 2007) that directs preparation of a Monitoring and Research Priorities Report every five years. It describes what was learned over the past five years and outlines the priorities for the next five years. The draft of the 2023-2027 report is almost done. It will be published on the www.lcrmscp.gov for review by the Steering Committee within the next month and a motion for the Steering Committee to approve it will be scheduled for the April 26, 2023 Steering Committee Meeting. He reminded the committee that the program is transitioning from research to monitoring and will be incorporating the monitoring and research data into adaptive management actions that will ensure the program is providing habitat for the species the habitat was created for.

Seth Shanahan suggested an informal presentation so folks can hear the highlights and react in real time. Jimmy Knowles responded that a Technical Work Group Meeting can be scheduled once the draft is published.

Vineetha Kartha asked if there would be a difference in research priorities expected in the upcoming report. Jimmy Knowles reported that research is winding down. There are a couple small things we'd like to learn more about, like the time period to recontact stocked fish, ways to monitor habitat characteristics, and methods to make changes to habitat to ensure species habitat characteristics are present. Carrie Ronning added that for the terrestrial wildlife species, most knowledge gaps would be addressed through monitoring, not research. They could be categorized as either, but monitoring is most appropriate as questions focus on habitat suitability, what the wildlife are keying in on, and how to maintain or bring habitat characteristics back as habitat goes through natural successional processes. As described in the annual work plans, future monitoring will focus on sampling and putting conservation areas on a monitoring rotation instead of monitoring terrestrial wildlife in all suitable habitat each year. This will involve looking at a whole host of species, primarily at birds because they are most responsive to habitat changes, along with vegetation and soil salinity and moisture, to get a good assessment of what is happening. Monitoring can help us figure out where we can create the most habitat value for the water we have, the depth to groundwater, soil moisture, etc.

Southern California Public Power Authority's intent to exit the LCR MSCP

Charles Guss, Senior Asset Manager with the Southern California Public Power Authority (SCPPA), briefed the Steering Committee on the agency's intent to exit the LCR MSCP. SCPPA is a Joint Powers Authority. It was created in 1980 for the purpose of providing joint planning, financing, construction and operation of transmission and generation projects for the benefits of SCPPA's members. There are currently 12 members. SCPPA's initial interest in the Boulder Canyon Project began with an agreement to finance the respective shares of the Hoover Upgrading Project cost for six of SCPPA's members and with three additional members also

participating in the operating project, but paying their own cost outside of SCPPA. SCPPA's Board of Directors authorized SCPPA's participation in the LCR MSCP on behalf of the cities of Anaheim, Azusa, Banning, Burbank, Colton, Glendale, Pasadena, Vernon and Riverside. It's important to note that LADWP and Imperial Irrigation District are also members of SCPPA, but they participate in the LCR MSCP directly. As of October 1, 2017, all SCPPA's members had become Hoover contractors, directly participating in the Boulder Canyon Project through agreements of their own outside SCPPA. With these changes, SCPPA's continued participation in the LCR MSCP without an associated transmission or generation project doesn't squarely fit within the Joint Powers Authority. SCPPA does not as an agency participate in covered activities as described in the Habitat Conservation Plan nor does it meet the requirements to be a member of the Steering Committee. Therefore, it's SCPPA's intent to exit from the LCR MSCP and be replaced with its members who are now the direct takers of the Colorado River hydroelectric energy. Ideally, SCPPA would like to exit the program within the next six months. Realistically, SCPPA knows the timeline will ultimately depend on transition of participation from SCPPA to its members. Two permits and three agreements may need to be amended to accomplish this including: the Section 10 permit, the California Endangered Species Act permit, the California joint payment agreement, the Funding and Management Agreement and the Implementing Agreement

Seth Shanahan noted that this is the first withdrawal of a permittee from the program. Jimmy Knowles verified this would be the first permittee change and noted that there has been withdrawal of a Steering Committee member that wasn't a permittee. Seth Shanahan discussed that there is a process for SCPPA's members to be covered permittees. The details will be outlined between now and the next Steering Committee Meeting. The Steering Committee might expect to see some future resolutions to formally process SCPPA's request. There will need to be some conversations among the California Participant Group regarding a few steps. Seth encouraged SCPPA to have those conversations.

Charles Guss shared that SCPPA's next step is to work with their members to determine which of them need to become permittees. Jimmy Knowles added that it would be the Schedule B contractors that are currently paying their LCR MSCP contribution through SCPPA. The one Schedule D contractor is directly paying, so that member may not need to be added.

Seth Shanahan noted the general steps that might need to be taken.

- The process to exit the program: The process to be removed from the Steering Committee is governed by the Financial Management Agreement. The Steering Committee would resolve to terminate SCPPA's status. There is a separate process to return and surrender the permit and to amend to add the new permittees. There might be some smaller things associated with the Implementation Agreement.
- The process for the cities to join: The cities would submit a letter of interest. The Steering Committee then notifies the Program Manager of their acceptance of the applicant in the Steering Committee process. The process to be added to the permit is a third-party process of using a certificate of inclusion that would involve the California Participant Group. Participation of the U.S. Fish and Wildlife Service will be critical.

Jimmy Knowles stated that the next logical step is for Reclamation to write up the procedures for parties to exit and enter the LCR MSCP. Seth and Vineetha will review it to make sure it's a good process, and then provide it to the Steering Committee and California Participant Group for review. Carrie Ronning noted that Section 10 amendments are a Steering Committee Action, not a Reclamation action, so the Steering Committee Chair sends the request to the U.S. Fish and Wildlife Service. Reclamation will provide technical support. The hope is that it is mainly an administrative process as the parties who are doing the covered activities aren't changing, just who's representing them and how they are listed in the permit. Dan Leavitt with U.S. Fish and Wildlife Service, Ecological Services Office concurred that they are looking at it as administrative and that the process is pretty clearly written into the most recent amendment under Section 2, specifically Q-1 where it talks about permit amendments and the process. The Service is available to meet and discuss it further.

Seth noted and found it interesting when looking at the process that Metropolitan has veto authority for California parties wishing to enter the process.

LCR MSCP Future Considerations

Seth Shanahan reminded the Steering Committee that the discussions occurring across the Lower Colorado River Basin about future water conservation may result in the need for conversations similar to what we did with the start of the 2022 Section 7 consultation process. We will need to wait to see what it looks like and try to understand what future types of water conservation activities might be needed and if they are covered. He asked if anyone had any comments they'd like to make about what the future might look like and what our needs might be. No comments were made.

GENERAL

Discussion of training needs and additional resources for Steering Committee representatives and support staff

Carrie Ronning acknowledged that many representatives of permittee and Steering Committee members have changed since 2005 and there might be a need to offer briefings or training sessions so boards, management, and staff can learn about aspects of the program and processes. Reclamation is available to provide training and additional resources. Examples were provided to generate discussion such as providing the excel worksheets used to generate funding contributions amounts and getting finance people together to talk about the invoice and billing process. Jimmy Knowles noted that Reclamation staff had to review and learn processes after John Swett and Laura Vecerina retired. He apologized for the incorrect invoices that went out. They were corrected and the permittees were given extra time to make their payments. A number of Steering Committee representatives agreed that training and opportunities for personnel to meet that do similar functions would be appreciated. Topics discussed were financial processes like billing, tracking credits and debits, how to manage the Remedial Measure Funds, MSCP 101 Introduction to the Program sessions (virtual and in person), and

onsite visits to conservation areas. There was interest in a tour in the next couple years. Terry Murphy responded that site visits could be organized. Reclamation will wait until a new Program Manager is hired to discuss future system-wide tours. Contact Carrie Ronning cronning@usbr.gov with topics you would like covered.

Seth Shanahan suggested and Reclamation agreed to schedule a couple virtual MSCP 101 sessions open to all that want to attend and to include an introductory finance session after the normal business at the Financial Work Group Meeting in February 2023. Contact Carrie Ronning cronning@usbr.gov with topics you would like included in the Financial Work Group training session.

STEERING COMMITTEE SCHEDULE

Carrie Ronning reviewed the meeting schedule for FY2023.

- **2/16/2023 Financial Work Group Meeting** – virtual. Will include an overview of LCR MSCP finance processes (rescheduled to **2/23/2023** – see note below)
- **4/26/2023 Steering Committee Meeting** – Harry Reid International Airport, Las Vegas, NV Terminal 1, Floor 2, Mezz-2 meeting room. Will also be available virtually.
- **5/10/2023-5/11/2023 Technical Work Group Meeting** – San Diego County Water Authority, 4677 Overland Ave, San Diego, CA 92123. Will also be available virtually.
- **6/28/2023 Steering Committee Meeting** – virtual
- **10/25/2023 Steering Committee Meeting** – Harry Reid International Airport, Las Vegas, NV Terminal 1, Floor 2, Mezz-2 meeting room. Will also be available virtually.

Meeting dates and meeting materials are posted on www.lcrmscp.gov.

Reclamation will coordinate with regional leadership to see if a meeting will be needed at the Colorado River Users Association Conference in December 2022.

Seth Shanahan asked that Reclamation coordinate with the Salinity Control Forum Working Group to avoid meetings being scheduled on the same days as Steering Committee Meetings. He will forward the contact information to Carrie Ronning to coordinate.

Note: The Steering Committee also discussed the following scheduling items during the meeting:

- An additional Technical Work Group meeting will be scheduled to review and receive comments on the *Draft Five-Year Monitoring and Research Priorities Report for 2023–2027*.
- Additional ad hoc, participant group, and technical work group meetings will be scheduled, as needed, to discuss and implement SCPPA's request.
- A couple virtual MSCP 101 presentations will be scheduled to introduce new representatives and staff to the program.

An impromptu discussion on the LCR MSCP website occurred. Seth Shanahan commented that the LCR MSCP website is easy to use. He mentioned that the hyperlink text color is very similar to the regular text and hard to see and asked if it could be made more noticeable. Jimmy Knowles said he would look at it and that publication searches by work tasks will be added in a future release. The artwork may be added as well. People should reach out to him at jknowles@usbr.gov if they have website corrections or suggestions.

Note: After the meeting on Nov 2, Southern Nevada Water Authority (Seth Shanahan) requested that the Financial Work Group meeting scheduled on 2/16/2023 be moved as it conflicted with the Glen Canyon Dam Adaptive Management Program's Adaptive Management Work Group 2-day meeting. The meeting was subsequently rescheduled for 2/23/2023 to accommodate the parties serving on both committees.

SUMMARY AND ACTION ITEMS

Seth Shanahan noted the Steering Committee took action on two items, approving the meeting agenda and the June 22, 2022 meeting notes. The following actions items were recorded:

- Reclamation will write up the procedures for parties to exit and enter the LCR MSCP permit and Steering Committee.
- The California parties will coordinate on the California Participant Group processes for parties to exit and enter the LCR MSCP permit, including the Certificate of Inclusion and updating the California Joint Payment Agreement.
- Seth Shanahan and Vineetha Kartha will review the procedures for parties to exit and enter the LCR MSCP permit and Steering Committee and then it will be provided to the Steering Committee for review.
- Reclamation will send out the *Five-Year Monitoring and Research Priorities Report for 2023–2027* for Steering Committee review. A Technical Work Group Meeting will be scheduled to brief the committee on the contents.
- Reclamation (Carrie Ronning) will schedule a couple virtual MSCP 101 presentations to introduce new representatives and staff to the program.
- Reclamation will prepare financial training and present it at the 2/16/2023 Financial Work Group meeting after the conclusion of regular business.
- Steering Committee participants will contact Carrie Ronning cronning@usbr.gov with future training topics you would like scheduled.
- Seth Shanahan will send the Salinity meeting contact information to Carrie Ronning who will coordinate with them to try to avoid future meeting conflicts.
- Reclamation will coordinate with regional leadership to see if a LCR MSCP meeting will be needed at the Colorado River Users Association Conference in December 2022.

ADJOURN

The meeting adjourned at 10:52 am.